

Date Mailed
December 10, 1999

BEFORE THE
PUBLIC SERVICE COMMISSION OF WISCONSIN

Investigation on the Commission's Own Motion Into the
Definition of Natural Gas Essential Use Customers and the
Requirements for Backup Service for City Gas Company;
Florence Municipal Gas Utility; Madison Gas and Electric
Company; Midwest Natural Gas, Inc.; Northern States Power
Company; St. Croix Valley Natural Gas Company; Superior
Water Light and Power Company; Wisconsin Electric Power
Company, Gas Business Unit; Wisconsin Fuel and Light
Company; Wisconsin Gas Company; Wisconsin Power and
Light Company; and Wisconsin Public Service Corporation

05-GI-111

NOTICE OF HEARING

Hearing Date:	Tuesday, January 18, 2000 – 9:30 a.m.
Hearing Location:	Public Service Commission, 610 North Whitney Way, Madison, WI

THIS IS A PROCEEDING to reconsider the Commission's current definition of essential use facilities and the requirements for backup service. This proceeding is initiated under Wis. Stats. §§ 196.02(1), 196.03(1), 196.28 and 196.37.

On July 9, 1987, in docket 05-GI-102, the Enunciation of Principles, the Public Service Commission (Commission) issued its first formal policy in response to the Federal Energy Regulatory Commission (FERC) rules regarding the transportation of natural gas supplies. The first principle, Availability of Transportation, stated that: "It is in the public interest to provide maximum opportunity for all Wisconsin citizens to benefit from the natural gas markets. Therefore, transportation should not be foreclosed to anyone." However, the Commission sought protection for a special group of customers that it referred to as "essential use" customers who, because of their service to the public, required a higher standard of reliability than what was perceived as obtainable in the marketplace.

Essential service facilities or essential use customers are defined on page 22 of the Enunciation of Principles as "facilities, such as schools, hospitals, nursing homes, and similar

institutions." In addition, governmental bodies can determine other facilities as essential use facilities for the purpose of receiving high priority to natural gas service.

The natural gas industry has evolved substantially since the issuance of the Enunciation of Principles. There have also been changes in the Commission's approach to various issues during this time. In its rulings in dockets 05-GI-103 and 05-GI-105, the Commission reduced backup requirements. In docket 05-GI-110, the Commission found that it was no longer reasonable or necessary to designate any non-residential school facility as an essential use facility for the purposes of transporting natural gas, provided that such facility receives firm distribution service from the LDC.

The Commission at its January 13, 1998, open meeting instructed staff to prepare a notice of investigation and hearing into all issues relating to essential use, including items such as the continued need for the essential use designation, which institutions should be subject to its requirements if it is continued and what form these requirements should take.

The issues relevant to the definition of natural gas essential use customers and the requirements for backup service were determined at a prehearing conference that was held for this docket on November 2, 1999, in Madison. The prefiling schedule was set forth in the cover letter to prehearing conference transcript that was dated November 18, 1999.

The January 18, 2000, hearing for this docket will be the forum for presenting and supporting positions with respect to the issues identified at the prehearing conference.

NOTICE IS GIVEN that a hearing will be held beginning on Tuesday, January 18, 2000, at 9:30 a.m. in the Amnicon Falls Hearing Room at the Public Service Commission Building, 610 North Whitney Way, Madison, Wisconsin, and continuing at times to be set by the presiding Hearing Examiner. This building is accessible to people in wheelchairs through the Whitney Way first floor (lobby) entrance. Parking for people with disabilities is available on the south side of the building. Any person with a disability who needs additional accommodations should contact the case coordinator listed below.

Persons who desire to actively participate as full parties must request full party status in writing. Full party status requests should be addressed to Jeffrey J. Patzke, Administrative Law Judge, Public Service Commission of Wisconsin, P.O. Box 7854, Madison, Wisconsin 53707-7854.

This is not a contested case but will be conducted according to the procedures for Class 1 proceedings as defined in Wis. Stat. § 227.01(3)(a).

The Commission does not discriminate on the basis of disability in the provision of programs, services, or employment. Any person with a disability who needs accommodations to participate in this proceeding or who needs to obtain this document in a different format should contact the case coordinator listed below.

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Requests for the issues list or questions regarding this matter may be directed to case coordinator Robert C. Bauer at (608) 266-7686.

Dated at Madison, Wisconsin, _____

By the Commission:

Lynda L. Dorr
Secretary to the Commission

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